

Blockchain, driven by IoT, can save food industry \$31bn by 2024

According to a new study by Juniper Research, blockchain will enable \$31 billion in food fraud savings globally by 2024 by immutably tracking food across the supply chain. Substantial savings in food fraud will be realised from 2021 and compliance costs will be reduced by 30% by 2024.



Image credit: Getty

The new study, titled '*Blockchain: Key Vertical Opportunities, Trends & Challenges 2019-2030*', reveals that blockchain will be instrumental in reducing food fraud, including mislabelled, diluted or substituted foodstuffs. Used with IoT sensors and trackers, it's expected to reduce retailers' costs by streamlining supply chains; offering simpler regulatory compliance and efficient food recall process.

Blockchain and IoT – a powerful duo

Building on their respective strengths, blockchain and the IoT can revolutionise the food industry. While IoT solutions link the physical and digital worlds primarily via location tracking sensors and temperature and humidity monitoring, blockchain provides an immutable platform where this data can be stored and accessed by every player in the process.

The research found that the IoT and blockchain will add significant value to players involved in the supply chain, from farmers to retailers and consumers. By replacing lengthy procedures with automated smart contracts, blockchain and the IoT bring cost reductions, risk mitigation and transparency to supply chains. Juniper Research recommends that blockchain vendors seek IoT partnerships to appeal to stakeholders across the food production market.



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IBM, SAP and Oracle lead the way

The research also found that leading players in the food provenance space are leveraging their robust blockchain and IoT solutions. This includes IBM's Food Trust and Watson platforms, SAP's Track and Trace and Leonardo platforms, as well as Oracle's Track and Trace, and Internet of Things solutions.

According to research author, Dr Morgane Kimmich: "Today, transparency and efficiency in the food supply chain are limited by opaque data forcing each company to rely on intermediaries and paper-based records. Blockchain and the IoT provide an immutable, shared platform for all actors in the supply chain to track and trace assets; saving time, resources and reducing fraud."

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